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PUBLIC EMPLOYMENT
RELATIONS BOARD

IN THE MATTER OF
THE IMPASSE DISPUTE

Between

MAQUOKETA MUNICIPAL ELECTRIC UTILITY

And

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
LOCAL UNION NO. 145

ARBITRATION AWARD

APPEARANCES

For the Maquoketa Municipal Electric Utility (Employer)

Doug Owen, Utility Manager
Ken Shouse
Dave Knoebel

For the International Brotherhood of Electrical Workers,
Local Union No. 145 (Union)

Kurt Donnelly, Business Agent
Mike Ellison, Business Agent

In accordance with the provisions of Chapter 20 of the Iowa Code, this Arbitrator was selected by the parties and appointed by the Iowa Public Employment Relations Board to hear and decide the issue at impasse.

Pursuant to the agreement by the parties, the arbitration hearing was held on January 13, 2005, at 9:00 a.m., at City Hall, Maquoketa, Iowa. The hearing was electronically recorded. The parties stipulated that there was no dispute as to the arbitrability or negotiability of the item presented to the Arbitrator. No subpoenas had been requested and no stenographic recording had been requested. The parties agreed to submission

of the matter to a single arbitrator rather than to a panel of three arbitrators. It was agreed that the Employer would proceed with its presentation first.

In the course of the hearing, both parties submitted their evidence and were given full opportunity to present argument and rebuttal. The parties chose not to submit post-hearing briefs, and the hearing was closed at 9:45 a.m. The award set forth below is based upon the Arbitrator's weighing of all of the facts and arguments submitted, even those that are not specifically referred to herein.

EXHIBITS

Joint Exhibit 1—Collective Bargaining Agreement Between the Parties Effective
1/1/02 – 12/31/04

Joint Exhibit 2—Appendix C(1)

Joint Exhibit 3—Appendix C(2)

Employer Exhibits 1 and 2

Union Exhibits A through E

ISSUE AT IMPASSE

The following issue was presented to the Arbitrator:

Appendix C(1) and C(2): The Union seeks an increase in standby hours from 9 ½ to 10 ½. Employer resists any change.

BACKGROUND

The Employer is an electric utility in the City of Maquoketa, Iowa. The Employer employs nine people in its distribution department, consisting of five "qualified" employees, two apprentices, and two supervisors. The Employer employs six persons in its power generating department, consisting of three "qualified" employees, two apprentices, and one supervisor. The dispute at impasse affects the five qualified employees in the distribution department, and the three qualified employees in the power generating department.

Under the standby policy adopted by the parties in Appendix C(1) (Joint Exhibit 2) and Appendix C(2) (Joint Exhibit 3), the parties define "standby," and provide that employees on standby in the distribution department and in the power generating department are paid 9 ½ hours of regular time pay for each seven day period they are on standby duty. The standby assignment rotates weekly among the five "qualified" employees in the distribution department and separately among the three "qualified"

employees in the power generating department. If an employee is called in while on standby, the employee receives a minimum of two hours pay in addition to the 9 ½ hours of standby pay for the week.

In the Maquoketa duty rotation, other than the standby employees assigned to the plant and the distribution system, no one is on duty on nights or weekends. For a distribution department employee, standby means carrying a cell phone and being in the vicinity to respond to an issue on 30 minutes notice and a prohibition on the consumption of alcohol while on standby. To a power plant operator, standby means the same thing, but in addition, the standby power plant operator has to visit both generating plants once each day on weekends.

In the bargaining prior to arbitration, the parties agreed on all issues except for the issue at impasse. Among the items agreed to during the past 6 months of negotiation are a three year contract with wage reopeners in years two and three, language changes relating to inclement weather and leave accumulation, a change to the Appendix A Step System, an increase in the insurance cap, and an across the board wage increase of 3.4 percent from January 3, 2005.

DISCUSSION

By statutory mandate, the Arbitrator must choose between the Union's final offer and the Employer's final offer on the issue at impasse. The Iowa Code further provides that the Arbitrator must select, without alteration, the most reasonable position on each of the items at impasse and consider the statutory criteria in arriving at the decision as to which is the most reasonable. The statutory criteria specified in the Iowa Code Section 20.22(9) include:

- (a) Past collective bargaining contracts and bargaining history;
- (b) Comparison of wages, hours, and conditions of employment of other employees, including consideration of factors peculiar to the area and classifications;
- (c) The interests and welfare of the public, the ability of the employer to finance the costs involved, and the effect of such costs on the normal standard of services;
- (d) The power of the public employer to levy taxes and appropriate funds for its operations;
- (e) Any other relevant factors.

EMPLOYER'S POSITION

The Employer urges the Arbitrator to retain the current contract language providing for 9 ½ hours of standby pay for a week of standby duty. In support of its position, the Employer asserts that it tries to maintain a ranking among municipal utilities where its total benefit package for bargaining unit members keeps it in the top 50 percent of Iowa municipal utilities and in the top one-third of those utilities. This year's negotiated wage increase of 3.4 percent when added to other benefit cost increases amounts to a total package increase of 4.7 percent.

To support its position, the Employer offers comparability data on standby pay for Traer, Mt. Pleasant, Vinton, Story City, and Tipton (Employer Exhibit 1) showing a wide disparity in policies, but indicating that Maquoketa is already on the high end of the spectrum. In data compiled by the City of Estherville (Employer Exhibit 2), Maquoketa plant operators rank fourth out of six municipal utilities in terms of hourly wage for cities 5100 to 9500 in population, and electric distribution linemen in Maquoketa rank eighth out of twelve.

The Employer estimates that the cost of the Union's proposal is \$2,290.52 per year.

The Employer asserts that there is no compelling need for a change in the current contract language regarding standby.

The Employer points out that the reason nonbargaining unit employees got a larger wage increase than the bargaining unit in the previous year is that duties changed and responsibilities were increased. Equally important was the fact that those positions were significantly below other municipal utilities. The increases were also appropriate because the utility was undergoing a rate study, making it a good time to increase those wage rates to build them into future utility rates.

With respect to the 11 hours paid to linemen on standby as shown in Union Exhibit E, the Employer pointed out that the 11 hour policy was adopted because at that time there were only three linemen, and the increased hours was negotiated to compensate them for the more frequent standby assignments. Later, when the number of linemen increased to five, the standby assignments were less frequent and therefore the policy should revert to the previous arrangement of 9 ½ hours.

UNION'S POSITION

In support of its proposal for a 1 hour increase in the pay for standby, the Union argues that it agreed to a 3.4 percent wage increase in hopes of an additional "sweetener" in the form of the standby increase. The Union offered Union Exhibit A, showing that in an eight municipal utility comparison group, journeymen linemen in Maquoketa rank sixth out of the eight utilities. The Union also points out to the

Arbitrator that last year the Union settled for a 3 percent wage increase while nonbargaining unit employees received a higher wage increase. Union Exhibit B shows the January 1, 2004 salary schedule showing increases of between 6 and 17 percent for office staff and supervisors.

Using data for the Union's 11th Vice Presidential District (North Dakota, South Dakota, Nebraska, Iowa, and Missouri), the September 2004 average wage increase was 3.62 percent for municipal utilities and the average hourly wage for line employees was \$22.14. Future projections for the same district for municipal line workers shows a 3.05 percent wage increase and an average wage of \$24.07 for the period 10/1/04 through 9/30/05, and 2.88 percent wage increase and an average wage of \$24.47 for the period 10/1/05 through 9/30/06. The Union believes that the fact that the Maquoketa lineman earns \$20.67 per hour, well below average, supports the additional sweetener of extra standby pay (Union Exhibit C).

The Union argues that the Employer would be able to pay the increased standby pay because the Employer agreed to make an additional \$30,000.00 (\$70,000.00 total) contribution to the Maquoketa Area Recreation Center.

Finally, the Union argues that the practice adopted for the period 5/1/02 through 12/31/04 of paying distribution department employees 11 hours of standby pay for a week of standby, shows a past practice and a need for an increase in the standby pay (Union Exhibit E).

FINDINGS OF FACT

Standby Hours

(1) Past Collective Bargaining and Contracts. Other than the Employer's assertion that it tries to maintain a wage position for its employees above 50 percent on the list and in the top one-third, neither party submitted any documentation of the historical position of Maquoketa municipal electric employees in any particular comparability group.

The evidence indicates that the parties did bargain in good faith on the wage issue and did agree to the 3.4 percent wage increase and the 4.7 percent package. There was no evidence that there was any promise of an increase in standby hours.

Insufficient historical data was provided from which the Arbitrator could determine whether Maquoketa's rank among the various comparability groups was historically consistent or inconsistent in a way that would support the position of either party.

(2) Comparability. The comparability data provided by the Employer in Employer Exhibit 1 shows that among municipal utilities which pay standby for a week-long standby assignment (Traer, Mt. Pleasant, and Vinton), all pay fewer hours than the 9 ½ hours offered by the Employer. The other two municipal utilities (Story City and Tipton) have different standby policies using different types of rotation, and are difficult to compare. The Union offered no comparability data with respect to standby assignment policies. The comparability data provided to the Arbitrator on the impasse item supports the Employer's offer.

(3) Ability to Pay. The Employer did not assert that there was any inability to pay the cost of the Union's proposal, and no evidence offered to the Arbitrator indicates any inability to pay or any effect on service.

(4) Ability to Tax. Neither party made any allegation regarding ability to tax.

(5) Other Relevant Factors. The Union asserted that the Arbitrator should consider the Employer's increased contribution to Maquoketa's Area Recreation Center as indicative of an excess cash position. The Employer pointed out that the dollars contributed in no way reduced funds for employee compensation.

The Memorandum of Understanding (Union Exhibit E) for the period 5/1/02 through 12/31/04 establishing 11 hours of standby pay for distribution department employees did not establish any binding practice or show a compelling need for change because it was adopted to deal with a situation which no longer exists.

CONCLUSIONS OF LAW

In accordance with the statutory criteria imposed upon the Arbitrator, the Arbitrator determines as follows:

The Employer's position of no increase in standby hours is the most reasonable under the statutory criteria and is therefore adopted.

Dated this 24th day of January, 2005.


JAMES A. O'BRIEN, Arbitrator

CERTIFICATE OF SERVICE

I certify that on the 24 day of January, 2005, I served the foregoing Award of Arbitrator upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

Doug Owen
201 East Pleasant Street
Maquoketa, IA 52060

Kurt Donnelly
2832 7-1/2 Street
East Moline, IL 61244

I further certify that on the 24 day of January, 2005, I will submit this Award for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, IA 50319-0203.


JAMES A. O'BRIEN, Arbitrator